

Message Text

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21

ACTION EUR-25

INFO OCT-01 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00

EB-11 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 FEA-02 OMB-01

SWF-02 SCI-06 IO-14 DRC-01 /200 W

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E.O. 11652: N/A

TAGS: ECON, PINT, PFOR, CZ

SUBJECT: CZECHOSLOVAK PARTY CENTRAL COMMITTEE MEETING ON
TECHNOLOGY AND THE ECONOMY

REF: PRAGEU A-30 (NOTAL), PRAGUE 696 (NOTAL) AND 795 (NOTAL)

1. SUMMARY: CZECHOSLOVAK PARTY CENTRAL COMMITTEE MET MAY 14-15
TO DISCUSS "STRENGTHENING ROLE OF TECHNOLOGICAL DEVELOPMENT IN
INCREASING EFFECTIVENESS OF NATIONAL ECONOMY." PLENUM MET
AGAINST BACKGROUND OF SLOWLY INCREASING ECONOMIC PROBLEMS; CRITICISMS
WERE DIRECTED AT R&D SECTOR AND SHORTCOMINGS IN MODERNIZATION OF
ECONOMY, BUT AS PREDICTED TO US EARLIER, CRITICISMS WERE MUTED
AND NO NEW RADICAL DEPARTURES WERE ANNOUNCED. END SUMMARY.

2. PLENUM, THEME AND DATE OF WHICH HAD BEEN ACCURATELY FORECAST
TO US PREVIOUSLY (REFS), WAS OBVIOUSLY ARRANGED AS MAJOR AFFAIR.
WHILE PLENUM ON THIS SUBJECT WAS FULLY JUSTIFIED BY CURRENT
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DIFFICULTIES IN CZECHOSLOVAK ECONOMY, IT ALSO SERVED POLITICAL

PURPOSE OF DEMONSTRATING THAT HUSAK'S CENTRAL COMMITTEE IS CONCERNED ABOUT ECONOMIC PROBLEMS WHERE DUBCEK'S ALLEGEDLY WAS NOT--POINT WHICH HAD BEEN EMPHASIZED IN APRIL 17 "RUDE PRAVO" PIECE ON HUSAK'S FIRST FIVE YEARS AS PARTY HEAD. "RUDE PRAVE" MAY 15 THROUGH 18 HAS CARRIED LENGTHY COVERAGE FROM PLENUM SPEECHES, INCLUDING APPARENTLY FULL TEXT OF MAIN ADDRESS MADE BY PARTY ECONOMIC COMMISSION HEAD JOSEF KEMPNY, AS WELL AS EXCERPTS FROM SPEECHES NOT ONLY BY PARTY FUNCTIONARIES (E.G. KAPEK, MAMULA) BUT BY KOZESNIK OF ACADEMY OF SCIENCES, DIRECTOR PESKA OF VITKOVICE STEEL WORKS, AND OTHER LEADING LIGHTS IN SCIENCE AND ECONOMY. HUSAK, WHO MADE CLOSING REMARKS, WAS REPORTED BRIEFLY AS HAVING EMPHASIZED THAT ALL NECESSARY CONDITIONS EXISTED FOR ACCELERATED TECHNOLOGICAL DEVELOPMENT BUT THAT CRITICAL AND EXACTING APPROACH WAS REQUIRED.

4. KEMPNY'S SPEECH, AND LENGTHY PLENUM RESOLUTION ("RUDE PRAVO", MAY 17) INDEED ADMITTED A NUMBER OF SHORTCOMINGS--RESOLUTION MADE RATHER REMARKABLE ADMISSION THAT "SCIENCE AND TECHNOLOGY ARE STILL POORLY USED FOR INCREASING EFFECTIVENESS OF NATIONAL ECONOMY AND PREREQUISITES FOR THEIR MORE SIGNIFICANT APPLICATION ARE BEING SPECIFIED SLOWLY." DURING PAST MONTHS WE HAVE HEARD PRIVATELY STRONG CRITICISMS LEVELED AT IMPRACTICAL OR ECONOMICALLY USELESS ACTIVITIES OF MANY OF CZECHOSLOVAKIA'S 150,000 RESEARCH WORKERS AND MYRIAD RESEARCH INSTITUTES --(ONLY 12 PERCENT OF WHOSE PERSONNEL ARE ENGAGED IN "BASIS" R&D. MOST RECENTLY FROM PREMIER STROUGAL'S BROTHER (WHO HEADS FOREIGN-TRADE COMPANY) IN MAY 15 CONVERSATION WITH EMBOFF. BUT THE PLENUM SEEMS TO HAVE STOPPED SHORT OF A SCATHING ATTACK ON SUCH ACTIVITIES, ALTHOUGH THE RESOLUTION AND SPEECHES PUT STRONG EMPHASIS ON "RESEARCH-TECHNOLOGY-PRODUCTION" SEQUENCE.

5. KEMPNY PUT PARTICULAR EMPHASIS ON FUEL AND ENERGY PROBLEM, NOTING NEED FOR ECONOMIES AND FACT THAT UNTIL YEAR 2000 CZECHOSLOVAKIA WOULD HAVE TO RELY MAINLY ON ITS OWN "DEPENDABLE RESERVES"--I.E. MAINLY COAL. HE ALSO INTER ALIA MENTIONED DIFFICULTIES IN ENGINEERING INDUSTRY, CONSTRUCTION, DEVELOPMENT OF COMPUTER TECHNOLOGY, ETC. ALTHOUGH FOREIGN-TRADE PROBLEMS ARE GIVEN RELATIVELY LITTLE DIRECT EMPHASIS IN PUBLISHED ACCOUNTS OF PLENUM STATEMENTS, ALL IN ALL STATEMENTS PRESENT PICTURE OF INCREASING CZECHOSLOVAK DIFFICULTIES IN TRYING TO MARKET ABROAD LIMITED OFFICIAL USE

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OUTMODED AND/OR LOW-QUALITY PRODUCTS. SPEECH BY VACLAV ROHLENA OF TEXTILE INDUSTRY GIVES PARTICULARLY GRAPHIC ACCOUNT OF DELAYS IN PRODUCTION AND MARKETING OF NEW TEXTILE MACHINERY, IN DESIGN OF WHICH CZECHS ARE WORLD LEADER.

6. KEMPNY SPEECH AND PLENUM RESOLUTION CALLED FOR APPLICATION OF TECHNOLOGY IN ORDER TO OBTAIN SUCCESSFUL FULFILLMENT OF CURRENT (1971-75) PLAN; BUT PLENUM STOPPED SHORT OF GIVING

ASSURANCES THAT PLAN WOULD DEFINETLY BE FULFILLED. CURRENT OFFICIAL LINE, AS EXPRESSED IN MAY 18 "RUDE PRAVE" LEADING ARTICLE ON PLENUM, IS RATHER THAT "IN SPITE OF MANY DEFICIENCIES WE CAN NEVERTHELESS BY OPTIMISTS."

7. WE WERE TOLD AS RECENTLY AS LAST YEAR THAT HUSAK WAS THEN STILL RELATIVELY SATISFIED WITH ECONOMIC SITUATION. HE AND HIS COLLEAGUES ARE APPARENTLY CONSIDERABLY LESS SATISFIED NOW. WHETHER THEIR AWAKENED SENSE OF PROBLEMS IN THE ECONOMY WILL LEAD TO SOLUTION OF ANY OF THESE PROBLEMS REMAINS TO BE SEEN. NOR CAN WE YET TELL WHETHER, OR HOW, ECONOMIC PROBLEMS MAY BE EMPLOYED POLITCALLY BY INDIVIDUAL LEADERS JOCKEYING FOR POSITION AFTER RPESIDENT SVOBODA DIES (PRAAGU 1068).
WORTZEL

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